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SIPDIS

STATE FOR PM/DTCC-BLUE LANTERN COORDINATOR

E.O. 12958: N/A

TAGS: [AU](#) [ETTC](#) [KOMC](#) [KS](#)

SUBJECT: BLUE LANTERN: VERIFYING BONA FIDES OF REGISTERED BROKER  
KUNSOO KIM - CASE No. K-2507

REF: A) STATE 99543

¶1. Per reftel, Post verified the bona fides of registered broker Kim Kun-soo, President of Songwon Trading.

¶2. Songwon Trading is located at Songwon Building, 254-16, Nonhyun-dong, Gangnam-Gu, Seoul, Republic of Korea. Kang Kyung-joon, assistant manager of Songwon Trading, told Post on October 14 that Songwon was founded in 1968. In December 2007, Songwon received the Industrial Raw Materials and Subsidiary Materials Importer Award from the Korea Importers Association (KOIMA). KOIMA separately confirmed to Post that the company has been a member of KOIMA since 1968.

¶3. The company reported it does not have a secured storage facility for USML items because it only serves as a broker on behalf of U.S. exporters of USML items, such as shock absorbers and wire rope isolators. Songwon delivers all imported USML items directly to Korean clients who maintain secured storage facilities.

¶4. Chairman Kim Chang-song, founder of Songwon Trading, studied in the United States and served as the first Chairman of the Korea Importers Association. Kim Kun-soo, President of the company is an MBA graduate of George Washington University. The company has twenty-three persons including Kim Kun-soo, President and the son of Chairman Kim Chang-song.

¶5. In addition to general trading, Songwon Trading serves as an agent for companies importing machinery, automation equipment and chemicals. Songwon Trading's main clients include Samsung Thales located in Yongin city (Republic of Korea (ROK)), STX Engine located in Yongin city (ROK), LIX Nex1 located in Yongin city (ROK) and Youngpoong Electronics situated in Changwon city (ROK), which are all defense article suppliers.

¶6. Between 2001 and March 2009, Kang said Songwon Trading was engaged in a joint-venture with a U.S.-based company, ENIDINE, to import components for shock absorbers for industrial use. The joint venture, JPI, had exported small quantities of shock absorbers to Japan and the United.

¶7. Kang also informed Post that Songwon Trading has been a registered broker with the PM/DTCC since 2008. The company is now in the process of renewing its registration as requested by the PM/DTCC. The company said it has completed its submission of the required documents for PM/DTCC registration renewal by its October 30, 2009 deadline.

¶8. Kang said the company is fully aware of the importance of the restrictions of USML items and the prohibitions of retransfers or re-exports of such items and technology. ICE attach has also verified that the company has neither criminal nor derogatory

information. This investigation was conducted via telephone and email.

STEPHENS